

Message Text

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ACTION SS-25

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FM AMCONSUL BOMBAY
TO SECSTATE WASHDC 7516
INFO AMEMBASSY NEW DELHI
AMEMBASSY ISLAMABAD
AMEMBASSY VIENNA

S E C R E T SECTION 1 OF 4 BOMBAY 1848

EXDIS

USIAEA

E.O. 11652 GDS
TAGS: MNUC, TECH, IN
SUBJ: NYE VISIT TO NEW DELHI: DISCUSSIONS AT MEA

SUMMARY: DISCUSSIONS WHICH NYE, SIEVERING, AND VAN DOREN
HAD AT NEA WERE MARKED BY FRANK, OPEN, AND AMICABLE EX-
CHANGES OF VIEW. THE INDIANS SEEMED GENUINELY INTERESTED
IN LEARNING DETAILED USG POSITIONS ON BROAD RANGE OF NUCLEAR
ISSUES. NYE TOLD THE INDIANS THAT THE MEETING WAS A GOOD
AUGURY FOR PERIODIC CONSULATIONS IN FUTURE AND HOPED IT
WOULD SERVE AS A MODEL FOR SUCH MEETINGS. HE NOTED THE
REMARKABLY SIMILAR MORAL COMMITMENT OF PM DESAI AND
PRESIDENT CARTER AGAINST PROLIFERATION. HE CALLED INFCEP
CENTRAL TO WHAT WE WERE TRYING TO ACHIEVE. REPLYING TO
NYE'S HOPE THAT THE INDIANS WOULD AGREE TO PARTICIPATE,
MEHTA SAID THEY WERE INCLINED IN PRINCIPLE TO DO SO. THEY
AGREED TO GIVE US A REPLY BY MID-AUGUST, AND EXPRESSED A
KEEN INTEREST IN THE WAY WE THOUGHT THE PROGRAM COULD BEST
BE ORGANIZED. THEY WERE NOT RESPONSIVE TO NYE'S MILD
SUGGESTION THAT IF THEY SHOULD WISH TO JOIN THE SUPPLIERS'

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GROUP THEY WOULD BE WELCOME TO DO SO IN THE FUTURE.
THE INDIANS WERE INTERESTED IN OUR DISCUSSION OF PNES AND
THOUGHT THAT IF THE SOVS. WOULD ALSO AGREE TO EXCLUDE THESE
FROM THE CTB THIS WOULD MAKE THINGS EASIER FOR THE PM.
THE INDIANS WERE NOT SYMPATHETIC TO THE IDEA OF THE SOUTH
ASIA NUCLEAR WEAPONS FREE ZONE, WHICH NYE CITED AS ONE
POSSIBLE WAY BY WHICH GOP LEADERS COULD SATISFY THEIR

PUBLIC OPINION THAT PAK SECURITY WAS BEING ENHANCED. DISCUSSING CONGRESSIONAL LEGISLATION NOW PENDING, NYE OBSERVED THAT WE ARE FACING A SITUATION WHICH WILL REQUIRE FULL SCOPE SAFEGUARDS WITHIN TWO YEARS, OR DISENGAGEMENT AS AMICABLY AS POSSIBLE. HE POINTED OUT THE ADVANTAGES (AND ABSENCE OF DISADVANTAGE) IN THESE SAFEGUARDS. REFERRING TO DESAI'S PARLIAMENTARY STATEMENT ON INSPECTION, HE OFFERED ORALLY TO THE INDIANS THE OPPORTUNITY TO PARTICIPATE IN A BILATERAL INSPECTION OF A FACILITY THE US WAS PUTTING UNDER IAEC SAFEGUARDS AS AN EXAMPLE OF HOW INSPECTIONS WERE CARRIED OUT. THE INDIANS ADOPTED A MORE POSITIVE INTEREST IN FULL-SCOPE SAFEGUARDS THAN WE HAD ANTICIPATED. FAR FROM DISMISSING THESE AS POLITICALLY UNACCEPTABLE, THEY QUESTIONED US CLOSELY ABOUT THEM. MENTIONING ONE TECHNICAL POINT (THE OTHERS WILL BE DISCUSSED IN BOMBAY), NYE SAID WE ACCEPTED THE SETHNA-PROPOSED SOLUTION OF SHIFTING THE US-ORIGIN CIRUS HEAVY WATER TO RAPP I. AT THE CONCLUSION OF THE TALKS, THE INDIANS EXPRESSED AN INTEREST IN FURTHER DISCUSSIONS, SHANKAR STRESSING THE IMPORTANCE OF HOLDING THESE BEFORE THE POSSIBLE AUTUMN US VISIT OF PM DESAI. END SUMMARY.

1. THE NYE TEAM MET FOR THREE AND A HALF HOURS AUGUST 1 AT MEA WITH INDIAN GROUP LED BY FOREIGN SECRETARY JAGAT MEHTA, PM'S PRINCIPAL SECRETARY V. SHANKAR, AND MEA SECRETARY M.S. VELLODI. THE TWO SESSIONS WERE MARKED BY A FRANK, SECRET

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OPEN, AND AMICABLE EXCHANGE OF VIEWS, THE INDIAN SIDE SEEMED GENUINELY INTERESTED IN LEARNING DETAILED USG VIEWS ON BROAD RANGE OF NUCLEAR ISSUES AND IN EXPLORING WAYS THEY COULD PARTICIPATE WITH US IN DEALING WITH PROLIFERATION PROBLEM. THEY ASKED SERIES OF GOOD, SEARCHING QUESTIONS DESIGNED TO ELICIT FURTHER INFORMATION AND WERE OBVIOUSLY PREPARED TO HEAR US OUT. IT WAS CLEAR TO US THAT THEY WELCOMED THE OPPORTUNITY OF GETTING OUR THOUGHTS, AND AT THE CONCLUSION TOLD US THAT THEY WANTED TO SCHEDULE FURTHER EXCHANGES.

2. FOREIGN SECRETARY MEHTA, WHO HAD RETURNED FROM RARAKKA BARRAGE TALKS IN DACCA FOR THE DISCUSSIONS, STRUCK A WARM NOTE IN THIS OPENING REMARKS. HE SAID GOI HAD BEEN TRYING ITS BEST TO FOLLOW NON-PROLIFERATION EFFORTS IN GENERAL AS WELL AS THEIR IMPACT ON INDIA, AND SAW THIS OPPORTUNITY TO BETTER UNDERSTAND US POLICY AS A FOLLOW-UP TO THE TALKS HE HAD HAD WITH NYE IN LONDON. HE STRESSED THAT THE GOI UNDERSTOOD HOW IMPORTANT THE NON-PROLIFERATION ISSUE WAS AND RECOGNIZED THE IMPORTANCE PRESIDENT CARTER ATTACHED TO IT. HE SAID THAT INDIA, ONE OF THE FIRST COUNTRIES IN THE DEVELOPING WORLD TO RECOGNIZE THE IMPORTANCE OF NUCLEAR ENERGY, HAD FROM THE BEGINNING FOCUSED ON ITS POTENTIAL

FOR PEACEFUL USES. INDIA, HE NOTED, HAD HAD ITS OWN MIX OF NATIONAL INTEREST BALANCED BY A SENSE OF INTERNATIONAL RESPONSIBILITY, AND WANTED THIS RECOGNIZED. CITING PRIME MINISTER DESAI'S STATEMENT, MEHTA SAID THAT THESE EMPHASIZED SEVERAL POINTS: INDIA DOES NOT WANT NUCLEAR WEAPONS BECAUSE THERE ARE MORALLY REPUGNANT; INDIA DOES NOT WANT DISCRIMINATORY PROVISIONS OF IMPEDIMENTS TO HER POWER GENERATION OR RESEARCH PROGRAMS.

3. REPLYING, NYE EXPRESSED PLEASURE IN VISITING INDIA FOR THE FIRST TIME AND MEETING WITH MEHTA, AN OLD FRIEND. HE SAID THAT THE MEETING WAS A GOOD AUGURY FOR PERIODIC CONSULTATIONS IN FUTURE. THE US WAS MEETING WITH OTHER GOVERNMENTS TOO, AND HE HOPED THAT THIS MEETING WITH THE INDIANS COULD
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SERVE AS A MODEL FOR FUTURE PERIODIC CONSULTATIONS.

4. NYE WENT ON TO OUTLINE THE GENERAL CONCERNS OF THE CARTER ADMINISTRATION)
. PROLIFERATION, AND THE PRESIDENT'S PERSONAL COMMITMENT OF PM DESAI AND SPOKE OF THE POWERFUL EFFECT THE PM'S STATEMENTS ON NUCLEAR WEAPONS AND EXPLOSIONS HAD HAD, AND PARTICULARLY THE BIG HELP IT HAD GIVEN TO THOSE WHO FAVORED, AS HE DID, A POSITIVE APPROACH TO THE INDIANS. HE HOPED THAT THROUGH THESE CONSULTATIONS THE TWO COUNTRIES COULD BRING THEIR SHARED MORAL COMMITMENT TO FRUITION.

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S E C R E T SECTION 2 OF 4 BOMBAY 1848

EXDIS

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5. NYE SPOKE AT SOME LENGTH ON THE MAJOR IMPORTANCE WE ATTACH TO THE INFCEP, WHICH HE SAID WAS CENTRAL TO WHAT WE ARE TRYING TO ACHIEVE. HE OUTLINED THE PROPOSALS FOR THE PROGRAM, NOTING THAT IT IS AN EFFORT TO DEVELOP A NEW INTERNATIONAL CONSENSUS, COMPLETELY VOLUNTARY, WHICH DOES NOT PREJUDGE THE OUTCOME. HE GAVE THE INDIANS THE LATEST REVISION OF THE INFCEP PAPER, WHICH HE SAID WAS AD REFERENDUM TO THE GOVERNMENTS WHICH HAD PARTICIPATED IN THE PARIS MEETING THE PREVIOUS WEEK. HE SAID THAT WE WOULD BE QUITE HAPPY TO EXPAND THE TERMS OF REFERENCE TO INCLUDE ANYTHING THE INDIANS AND OTHERS WANTED. EVERYONE'S CONCERNS SHOULD BE IN THE OPEN, AND WE DID NOT WANT TO EXCLUDE ANYTHING. HE REITERATED OUR HOPE THAT THE INDIANS WOULD AGREE TO PARTICIPATE.

6. DISCUSSING THE PROPOSED ORGANIZATION OF INFCEP, SIEVERING SAID THAT ITS BASIC PREMISE WAS THAT IT WAS OPEN TO ALL WHO WANTED TO PARTICIPATE. HE REVIEWED THE CONCEPT OF WORKING GROUPS COPILOTTED BY TWO COUNTRIES, AND DETAILED THE RELATIONSHIP WE WAS BETWEEN INFCEP AND IAEC. HE SPOKE FRANKLY

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ABOUT THE DOUBTS WE HAD HAD ABOUT HAVING THE PROGRAM UNDER IAEC AUSPICES. WE HAD BEEN CONCERNED ABOUT THE AGENCY'S ABILITY TO GET OFF TO A PROMPT START AND TO PROVIDE THE FLEXIBILITY WE THOUGHT INFCEP NEEDED. WE THOUGHT IT IMPORTANT THAT COUNTRIES BE DIRECTLY INVOLVED IN THE INFCEP STUDIES THEY WANTED TO BE DIRECTLY INVOLVED IN, NOT ONCE REMOVED BY AN INTERNATIONAL SECRETARIAT. AT THE SAME TIME, WE WANTED TO TAKE ADVANTAGE OF IAEA'S EXPERTISE AND ITS CAPACITY TO DISSEMINATE INFORMATION AND RUN MEETINGS AND SEMINARS. WE ALSO FRANKLY RECOGNIZED THAT THERE WERE MANY COUNTRIES WHICH WOULD FEEL MORE COMFORTABLE WORKING WITHIN THE FRAMEWORK OF THE IAEA. HE SAW THE IAEA PLAYING A ROLE IN PROVIDING A SETTING IN VIENNA FOR MEETINGS THREE OR FOUR TIMES A YEAR OF THE COCHARIMEN OF THE WORKING GROUPS AND IN CONVENING A STOCKTAKING CONFERENCE PERHAPS ONCE A YEAR. IAEA EXPERTS COULD ALSO PARTICIPATE IN THE GROUP. THE INFCEP WOULD THUS BE OUTSIDE THE IAEA BUT RELATED TO IT, AND ITS EFFORTS WOULD SERVE TO STRENGTHEN THE AGENCY BY BUILDING A NEW CONSENSUS ON VARIOUS ASPECTS OF THE NUCLEAR FUEL CYCLE.

7. THE INDIANS WERE OBVIOUSLY VERY INTERESTED IN THE WORKING OF THE INFCEP. MEHTA DECLARED THAT THE INDIANS WERE IN PRINCIPLE INCLINED TO PARTICIPATE, AND SHANKAR, IN HIS CHARACTERISTICALLY BLUNT WAY, GOT HIS COLLEAGUES TO AGREE TO COME UP WITH A DECISION ON GOI PARTICIPATION BY MID-AUGUST. BEFORE HE DID SO, HOWEVER, HE AND THE OTHER INDIANS PEPPERED THE US SIDE WITH QUESTIONS ABOUT THE INFCEP. SHANKAR'S OWN LINE OF QUESTIONING MADE IT CLEAR THAT HE WELCOMED OUR CONCEPT OF THE LIMITED ROLE OF IAEA. HE WANTED TO KNOW HOW THE WORKING GROUPS WOULD BE LAUNCHED, AND IN ANSWER TO A QUESTION FROM THE US SIDE, SAID HE WOULD HAVE NO PROBLEM WITH THE IDEA OF A CONFERENCE IN WASHINGTON TO GET THE PROGRAM

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GOING. SIEVERING'S EXPLANATION OF THE RESPONSIBILITY OF THE COCHAIRMAN IN SETTING UP THE GROUPS AND IN DETERMINING THE APPROACH TO THE CRITERIA, AND THE IDEA OF THE COCHAIRMAN BEING DRAWN FROM THE DEVELOPED AND DEVELOPING COUNTRIES SEEMED TO GO OVER WELL. SHANKAR URGED THAT POLICS BE KEPT OUT OF THE PROGRAM, AND THAT IT BE KEPT AT THE TECHNICAL LEVEL. HE SAID THAT IT SHOULD AVOID ANY SHADOW OF INTERFERENCE WITH NATIONAL SOVEREIGNTY. MEHTA ASKED ABOUT THE RESPONSE WE HAD RECEIVED; HE WAS TOLD THAT NO NEGATIVE RESPONSES HAD COME IN AND THAT WE HAD GOT SOME 15-20 POSITIVE EXPRESSIONS OF INTEREST. WE EXPECTED PERHAPS 30 COUNTRIES TO PARTICIPATE, AND THOUGH WE DIDN'T WANT IT TO BECOME TOO LARGE WE BELIEVED THAT ANY COUNTRY WHICH WANTED TO COME IN SHOULD BE INVITED. SHANKA EXPRESSED SOME CONCERN OVER FINANCING. NYE REPLIED THAT THE SCIENTIFIC COSTS WERE NOT LIKELY TO BE HIGH SINCE THE LEAD COUNTRIES ARE ALREADY ENGAGED IN RELEVANT WORK AND WOULD PRESUMABLY WISH TO INCORPORATE EXPANDED WORK IN THEIR MATERIAL PROGRESS. WE WOULD WANT TO MAKE SURE THAT THE "CO-LEAD" COUNTRY, PROBABLY A DEVELOPING ONE, WOULD NOT HAVE UNDUE COSTS; PERHAPS THE LEAD COUNTRY COULD IN SUCH CIRCUMSTANCES PICK UP MORE THAN ITS SHARE. SHANKAR OBSERVED THAT ONCE COUNTRIES HAD RECOGNIZED THE UTILITY OF THE INFCEP THERE WOULD BE LITTLE DIFFICULTY SINCE THEY WOULD SEE THE PROGRAM AS COST EFFECTIVE. HE AND THE OTHER INDIANS LISTENED SYMPATHETICALLY TO NYE'S EXPLANATION OF THE DELIMMA WE FACE ON THE QUESTION OF SOUTH AFRICAN PARTICIPATION, AND SHANKAR SAID IT WOULD BE PRUDENT NOT TO RAISE THE QUESTION AT THIS STAGE.

8. NYE TOUCHED BRIEFLY ON THE NUCLEAR SUPPLIERS' GROUP, POINTING OUT THAT IF INFCEP PROVIDED EFFECTIVE IT WOULD PROBABLY BE PHASED OUT OVER TIME AND DEAL LARGELY WITH TECHNICAL QUESTIONS OF IMPLEMENTATION. HE SAID THAT IT WAS IN THAT CONTEXT THAT HE WOULD TELL THE INDIANS THAT IF THEY WISHED TO JOIN THE GROUP THEY WERE WELCOME. HE STRESSED THAT HE

WAS NOT URGING THEM TO JOIN THE NPT, WHICH HE RECOGNIZED WAS NOT
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GOING TO HAPPEN. SHANKAR OBSERVED THAT THE PM HAD MADE
IT CLEAR THAT THERE WAS NO ADVANTAGE IN JOINING THE SUPPLIERS'
GROUP AND RECALLED THAT DESAI HAD SAID THAT INDIA HAD NO
INTENTION OF EXPORTING ANY SENSITIVE TECHNOLOGY. ECHOING THIS,
MEHTA SAID THAT THE SUPPLIERS' GROUP ACCEPTS A COMMON POLICY
ON EXPORTS, BUT INDIA IS NOT IN THE EXPORT BUSINESS. NYE
SAID THAT IF INDIA WERE TO EXPORT, WE WOULD WISH TO CONSULT TO CO-
ORDINATE POLICIES.

9. THE US SIDE OPENED THE AFTERNOON SESSION BY REVIEWING
THE CURRENT STATUS OF THE NPT. WE NOTED THE ENCOURAGING

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S E C R E T SECTION 3 OF 4 BOMBAY 1848

EXDIS

USIAEA

PICTURE FOLLOWING THE STIMULUS OF THE REVIEW CONFERENCE AND
MENTIONED THAT THREE ADDITIONAL COUNTRIES -- INDONESIA,
PORTUGAL, AND SRI LANKA, ARE EXPECTED TO JOIN THE 102 STATES
ALREADY SIGNATORIES. OUR REVIEW OF THE STATUS OF THE CTB
NEGOTIATIONS LED TO A DISCUSSION OF THE ISSUE OF PNEX. THE
US SIDE MENTIONED OUR VIEW THAT PNES WERE NEITHER ECONOMICALLY
JUSTIFIED NOR DISTINGUISHABLE FROM EXPLOSIONS FOR MILITARY PURPOSES.

THEY MENTIONED STUDIES OF SPECIFIC PNE PROJECTS WHICH HAD INVARIABLE CONCLUDED THAT IN THOSE PARTICULAR USES THEY SHOULD NOT BE UNDERTAKEN. SHANKAR SAID THAT SERIOUS AND INTENSIVE PSYCHOLOGICAL FACTORS OF SCIENTIFIC AND NATIONAL PRIDE WERE INVOLVED IN THIS ISSUE. HE SAID THAT SINCE THE PM HAD MADE HIS RECENT STATEMENT PUBLIC INTEREST HAD BEEN AROUSED. IN HIS VIEW, THE PM NEEDED STRONG JUSTIFICATION FOR GIVING UP HIS FREEDOM OF ACTION AND SAID THAT AN AGREEMENT BETWEEN THE US AND THE USSR TO GIVE UP PNES UNDER THE CTB WOULD HELP. HE SAID THAT THE PM HAD MADE HIS STAND ON NUCLEAR EXPLOSIONS CLEAR IN HIS PARLIAMENTARY STATEMENT AND HIS MEETINGS WITH THE COMMONWEALTH GOVERNMENT HEADS. HE DECLARED THAT DESAI FEELS THAT IF HE SAYS HE IS NOT GOING FOR NON-PEACEFUL PURPOSES HE HAD A RIGHT

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TO BE BELIEVED. NYE ASSURED SHANKAR THAT WE CAN BELIEVE THE WORD OF A LEADER LIKE MORARJI, AS THE PRESIDENT DOES. THE DANGER COMES FROM THE POSSIBILITY OF A CHANGE IN LEADERS. TO THIS, SHANKAR OBSERVED THAT THAT IS A RISK ONE TAKES IN INTERNATIONAL AFFAIRS.

10. THE INDIANS QUESTIONED US CLOSELY ON THE DIFFERENCE BE-

TWEEN US AND SOVIET VIEWS ON PNES. VELLOCI ASKED ABOUT THE RELATIONSHIP OF THE US STAND OPPOSING THE INCLUSION OF PNES IN THE CTB AND THE COMMITMENT OF THE NUCLEAR WEAPONS STATES UNDER THE NPT TO PROVIDE PNE SERVICES TO NON-NCULEAR WEAPONS STATES. NYE SUGGESTED TO THE INDIANS THE ADVANTAGE OF HAVING A REPUTABLE RESEARCH INSTITUTION UNDERTAKE A STUDY SO THAT INDIA AND OTHER COUNTRIES WILL NOT HAVE TO RELY ON A FEW SCIENTISTS IN A CLOSED SOCIETY AND COULD LOOK ELSEWHERE FOR INDEPENDENT SCIENTIFIC JUDGMENT ON THE PNE ISSUE.

11. REFERRING TO HIS RECENT VISIT TO PAKISTAN, NYE SAID THAT IT WAS IMPORTANT FOR US NOT TO SEE THE PAKS GO FOR NUCLEAR EXPLOSIVES. WE FELT THAT THIS COULD STIMULATE AN ARMS RACE IN THE REGION. NOTING PAKISTAN'S CONCERN FOR ITS SECURITY, NYE ARGUED THAT IF THE US AND INDIA WERE ABLE TO JOIN TOGETHER IN A NON-PROLIFERATION REGIME WHICH WAS ACCEPTED AS A NORM, IT WOULD BE A GREAT CONTRIBUTION TO INDIAN AND US SECURITY. SHANKAR, STRESSING INDIA'S CONSISTENTLY PEACEFUL PURPOSES ONCE AGAIN, SAID THAT THE MOST OUTSTANDING PROOF OF THESE WAS THAT THE GOI HAD NOT FOLLOWED THE PRC IN DEVELOPING NUCLEAR WEAPONS. AS FOR THE POSSIBILITY OF AN INDO-PAK ARMS RACE STIMULATED BY A PAK NUCLEAR EXPLOSION, HE RECALLED THAT THE PM HAD SAID THAT EVEN IF THE PAKS OBTAIN NUCLEAR WEAPONS, INDIA WILL NOT.

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12. THE QUESTION OF PAKISTAN ALSO CAME UP IN CONNECTION WITH THE DISCUSSION OF NUCLEAR FREE ZONES. THE US SIDE HAD OPENED THIS BY MENTIONING THE CARTER ADMINISTRATION'S ACCEPTANCE OF THE LATIN AMERICAN NUCLEAR WEAPONS FREE ZONE TREATY PROTOCOL WHICH WILL PRECLUDE US FROM PLACING NUCLEAR WEAPONS IN THE CANAL ZONE, PUERTO RICO, AND THE VIRGIN ISLANDS. THIS WAS FURTHER EVIDENCE OF THE US COMMITMENT TO NON-PROLIFERATION. NYE NOTED THAT WE WERE ALSO STUDYING OTHER NUCLEAR FREE ZONE PROPOSALS, INCLUDING THE SOUTH ASIAN ONE. HE SAID WE RECOGNIZED THAT IT HAD BEEN USED IN THE PAST BY THE GOP AS A PLOY, BUT WE BELIEVED IT NOT DESERVED STUDY. WE ARE LOOKING FOR WAYS BY WHICH THE LEADERS OF PAKISTAN CAN SATISFY THEIR PUBLIC OPINION THAT PAK SECURITY IS BEING ENHANCED. PERHAPS THE NUCLEAR FREE ZONE WAS NOT THE ANSWER, BUT IT SHOULD BE CONSIDERED. THE INDIAN SIDE DID NOT RESPOND SYMPATHETICALLY TO THE SANWFZ CONCEPT. MEHTA CITED INDIAN PUBLIC OPINION'S CONCERN OVER CHINA, WHICH AS HE PUT IT COMMANDS DEFERENCE FOR ITS DEFIANCE, AND CONTENDED THAT THIS WAS AN OBVIOUS COMPLICATION IN THE SOUTH ASIAN CONTEXT. AT THE SAME TIME, HE RECOGNIZED THE STRENGTH OF PAKISTAN'S FEELINGS ABOUT ITS SECURITY, AND REITERATED THE GOI EFFORT TO ASSUAGE FEAR IN NEIGHBORING COUNTRIES, INCLUDING THE UNILATERAL RESTRAIN THE GOI HAD PRACTICED DURING RECENT TURBULENT TIMES ACROSS THE BORDER. SHANKAR STATED GRUFFLY THAT INDIA HAD FOUND IT IMPOSSIBLE TO SATISFY ANY PAK LEADER ON SECURITY MATTERS THOUGH IT HAD HAD TRIED ITS BEST. HE NOTED THAT INDO-PAK PROBLEMS GROW OUT OF HISTORY, AND SAID THAT IT WOULD BE BEST TO DIVORCE INDO-PAK ASPECTS FROM WHAT WAS BEING DISCUSSED AT THE MEETING. NYE SAID THAT HE HAD BEEN IMPRESSED BY PAKISTANI SECURITY CONCERNS, WHETHER JUSTIFIED OR OT, AND IF SANWFZ WAS NOT POSSIBLE, THAT FULL SCOPE SAFEGUARDS COULD BE CONSIDERED AS AN INDICATION OF PEACEFUL INTENTIONS. MEHTA AGREED THE PROBLEM DESERVED ATTENTION.

13. AT MEHTA'S REQUEST, NYE REVIEWED FOR HIM OUR POSITION

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ON THE PROJECTED BRAZILIAN-WEST GERMAN AND PAK-FRENCH REPROCESSING CONTRACTS. NYE STRESSED THAT OUR CONCERNS CONTINUE TO BE VERY REAL AND HAVE NOT CHANGED OVER TIME. WE WANT THE PARTIES TO DELAY UNTIL THERE HAS BEEN MORE TIME TO CONSIDER PROCESSES LESS DANGEROUS FOR PROLIFERATION, UNTIL THERE IS GREATER ECONOMIC JUSTIFICATION, AND UNTIL MULTILATERAL INSTITUTIONS HAVE BEEN CREATED. HE SAID WE WOULD CONTINUE TO WORK TO PERSUADE THE PARTIES AT BOTH

ENDS OF THE CONTRACT, AND ADMITTED IT WAS HARD TO TELL
HOW IT WOULD WORK OUT.

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S E C R E T SECTION 4 OF 4 BOMBAY 1848

EXDIS

USIAEA

C O R R E C T E D C O P Y FOR PARA SIXTEEN GARBLED IN
ORIGINAL TRANSMISSION

14. FAN DOREN REVIEWD FOR THE INDIANS THE STATUS OF PENDING
LEGISLATION WHICH COULD AFFECT INDO-US NUCLEAR COOPERATION.
COMMENTING ON THIS, NYE OBSERVED THAT WE ARE FACING A
SITUATION WHICH WILL REQUIRE FULL SCOPE SAFEGUARDS WITHIN
TWO YEARS. THERE WAS A POSSIBILITY OF A PRESIDENTIAL
WAIVER, BUT THIS COULD BE OVERRIDEN BY AN UNPREDICTABLE
CONGRESS. SO WE HAVE TWO YEARS TO AVOID A BREAK IN OUR
COOPERATIVE RELATIONSHIP OR, IF WE CAN'T AVOID THIS, TWO YEARS
TO DISENGAGE AS AMICABLY AS POSSIBLE. HE STRESSED THAT
HE WAS NOT MAKING A THREAT BUT HAD TO POINT OUT WHAT ACTION
CONGRESS WAS TAKING.

15. DISCUSSING FULL SCOPE SAFEGUARDS, NYE SAID HE HOPED
IT WOULD BE POSSIBLE FOR THE GOI TO ACCEPT THESE. FOR IT
TO DO SO WOULD BE A MAJOR MORAL GESTURE, WHICH WOULD
HAVE NO IMPACT ON ITS COMMERCIAL NUCLEAR DEVELOPMENT
PROGRAM. FEARS ON THIS LATTER SCOPE HAD BEEN LAID TO REST
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BY EXPERIENCE. ADHERENCE TO FULL SCOPE SAFEGUARDS WOULD CONVEY INDIA'S PEACEFUL INTENTIONS TO OTHER PARTIES. REFERRING TO THE PM'S PARLIAMENTARY STATEMENT ON INSPECTION, HE SAID HE THOUGHT ALL OF DESAI'S CONDITIONS COULD BE MET. THE PM'S REMARKS THAT HE WOULD ONLY ALLOW INSPECTION ON INDIAN FACILITIES IF THE INDIANS COULD INSPECT THOSE IN THE US WAS MET BY OUR DECISION TO PUT OUR CIVILIAN FACILITIES UNDER THE SAFEGUARDS OF THE IAEA, OF WHICH INDIA IS A MEMBER. MOREOVER, NYE COULD ORALLY OFFER TO THE INDIANS THE OPPORTUNITY TO CONDUCT A BILATERAL INSPECTION OF SUCH US FACILITIES AS AN EXAMPLE OF HOW INSPECTIONS WERE CARRIED OUT. THIS COULD GIVE THE PM AN ANSWER TO PARLIAMENTARY CRITICS. HE STRESSED THAT HE DID NOT WANT AN ANSWER NOW ON THE FULL-SCOPE SAFEGUARDS ISSUE.

16. THE INDIANS ADOPTED A MUCH MORE POSITIVE INTEREST IN FULL SCOPE SAFEGUARDS THAN WE HAD ANTICIPATED. RATHER THAN DISMISSING THESE AS POLITICALLY UNACCEPTABLE, THEY QUESTIONED THE US SIDE CLOSELY ABOUT THEM. VELLODI EXPRESSED CONCERN ABOUT THE EFFECT ON EXISTING RESEARCH FACILITIES OF INDIA'S ACCEPTING IAEA SAFEGUARDS, CONTENDING THAT IT MIGHT BE NECESSARY FOR INDIA TO MODIFY SUCH FACILITIES UNDER IAEA ORDERS TO MAKE THEM SAFEGUARDABLE. THE US SIDE THOUGHT THAT THIS WAS NOT A PRACTICAL PROBLEM. SHANKAR PARTICULARLY SOUGHT FURTHER INFORMATION.

17. NYE SAID THAT TECHNICAL DISCUSSION WOULD LARGELY BE RESERVED FOR THE BOMBAY TALKS BUT DID FEEL THAT ONE POINT SHOULD BE RAISED, THE QUESTION OF US HEAVY WATER IN CIRUS. HE SAID WE ACCEPTED THE SOLUTION TO THE PROBLEM PROPOSED BY SETHNA - TO MOVE THE 20 TONS OF CIRUS HEAVY WATER TO RAPP I. HE SAID THIS COULD REMOVE THE DIFFICULTIES STEMMING FROM THE CONTENTION THAT THE INDIANS WERE IN VIOLATION OF THE INDO-SECRET

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US UNDERSTANDING IN THEIR USE OF CIRUS.

18. AT THE CONCLUSION OF THE TALKS, SHANKAR ASKED ABOUT THE SCHEDULING OF FURTHER DISCUSSIONS. HE SAID THAT HE WAS THINKING IN TERMS OF THE PM'S VISITING THE US IN THE AUTUMN, AND SAID IT WOULD HELP TO HOLD FURTHER TALKS TO CLARIFY POINTS ON INFCEP AND SAFEGUARDS BEFORE THEN. NYE SAID THAT WE WERE READY TO MEET WITH THE INDIANS WHEN AND WHERE THEY WISHED, IN INDIA, THE US, OR IN THE MARGINS OF THE INFCEP AND IAEA GENERAL CONFERENCE. COUTNEY

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Message Attributes

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Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c5eb5751-c288-dd11-92da-001cc4696bcc
Office: ACTION SS
Original Classification: SECRET
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 10
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: EXDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1446813
Secure: OPEN
Status: <DBA CORRECTED> gwr 20010601
Subject: NYE VISIT TO NEW DELHI: DISCUSSIONS AT MEA SUMMARY: DISCUSSIONS WHICH NYE, SIEVERING, AND VAN DOREN HAD AT NEA WERE MARKED BY FRANK, OPEN, AND AMICA BL
TAGS: MNUC, TECH, IN, (NYE, JOSEPH)
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/c5eb5751-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
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